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RWANDA PRIVATE SECTOR DRIVEN AGRICULTURAL GROWTH (PSDAG)

FISCAL YEAR (FY) 2016

QUARTERLY PROGRESS REPORT: APRIL 1, 2016 – JUNE 30, 2016



July 2016

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Cover photo: SARURA aggregation center-seasonal employees sorting maize in preparation for delivery to a premium buyer, June 23, 2016.

DISCLAIMER

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PSDAG FISCAL YEAR (FY) 2016 Q3 PROGRESS REPORT: APRIL 1, 2016 – JUNE 30, 2016

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ACRONYMS

Acronym	Definition
A2F	Access to Finance
ALIS	Agricultural Land Information System
APS	Annual Program Statement
ASWG	Agriculture Sector Working Group
BDS	Business Development Services
BRD	Banque Rwandaise de Development
COP	Chief of Party
COR	Contract Officer Representative
CRI	Cambridge Resources International
CRS	Catholic Relief Services
DFAs	District Field Agents
EIA	Embedded Investment Advisor
EMMP	Environmental Mitigation Monitoring Plan
GOR	Government of Rwanda
HO	Home Office
IF	Investment Framework
IFC	International Finance Corporation
IFDC	International Fertilizer Development Corporation
IRG	International Resources Group
ISU	Investment Support Unit
LTITA	Long –Term Technical Assistance
M&E	Monitoring and Evaluation
MFI	Micro Financial Institution
MINAGRI	Ministry of Agriculture and Animal Resources
MINALOC	Ministry of Local Government
MINICOM	Ministry of Trade and Commerce
MoU	Memorandum of Understanding
NAEB	National Agricultural Export Development Board
NAS	National Agribusiness Strategy
PASP	Post-Harvest and Agribusiness Support Project
PERSUAP	Pesticide Evaluation Review and Safe Use Action Plan
PHH	Post-Harvest Handling

PPD	Public Private Dialogue
PPP	Patient Procurement Platform
PSDAG	Private Sector Driven Agricultural Growth
PSF	Private Sector Federation
PSTA	Plan for Transformation of Agriculture in Rwanda
RAB	Rwanda Agricultural Board
RDB	Rwanda Development Board
RDO	Rwanda Development Organization
RFA	Request for Applications
RFP	Request for Proposals
RGCC	Rwanda Grains Cereals Corporation
RMF	Reserve Military Forces
RPPD	Rwanda Public Private Dialogue
SMEs	Small and Medium Enterprises
SOW	Statement of Work
STTA	Short-Term Technical Assistance
TEC	Technical Evaluation Committee
TOR	Terms of Reference
ToTs	Training of Trainers
TWG	Technical Working Group
USAID	United States Agency for International Development
USD	United States Dollars
VAC	Voluntous Agricon
VC	Value Chain
VCCF	Value Chain Competitiveness Fund
VFC	Vision Finance Corporation
WEF	World Economic Forum
WFP	World Food Program

I. PROJECT PERFORMANCE

I.1. OBJECTIVE I: ASSIST GOR TO INCREASE PRIVATE SECTOR INVESTMENT

Summary of Objective 1 accomplishments in Q3, 2016:

- Facilitated the creation of a draft National Agribusiness Strategy, which includes an improved Investment Promotion Framework following a participatory process involving stakeholders such as the Agriculture Sub-Sector Working Group (ASWG) meeting, the Minister of State for MINAGRI and private sector stakeholders. PSDAG will finalize the NAS and the subsequent Implementation Strategy in Q4.
- PSDAG continued to support the Investment Support Unit (ISU) at MINAGRI and the RDB through technical assistance provided by PSDAG's EIAs.
- PSDAG supported the GOR to develop an Agriculture Land Information System (ALIS), which was demonstrated at the Grow Africa Investment Forum in Kigali and also at the National Agricultural Show. MINAGRI staff were also trained on the operations of ALIS, which will be launched during Q4.
- Completed Rwanda Poultry Competitiveness Study including financial and economic models for use to assess the competitiveness of various categories of business models in the poultry sub-sector.
- PSDAG District Field Agents (DFAs) supported 873 agro-dealers to distribute 3,655MT of fertilizer under the fertilizer distribution system, and 748 agro-dealers to use m-Farms technology to record fertilizer transactions. Fertilizer transactions conducted by agro-dealers from April to the end of June 2016 translated to about \$1,954,924 in new fertilizer sales.

I.2.1.1. INTERMEDIATE RESULT 1.1: ESTABLISH AN INVESTMENT FRAMEWORK

Activity 1: Facilitate Creation of Investment Framework for Agriculture Investment Promotion as part of the National Agribusiness Strategy

PSDAG continued to facilitate the creation of an improved Investment Promotion Framework as part of the National Agribusiness Strategy (NAS). During Q3, PSDAG presented a draft NAS document to the ASWG, the Minister of State for MINAGRI, and private sector stakeholders for further input and validation.

As noted earlier, PSDAG engaged two local STTAs to finalize the NAS based on stakeholder feedback, and to develop the subsequent Implementation Strategy and Monitoring and Evaluation Plan. The consultants began work in June and are expected to complete deliverables during Q4.

I.2.1.2. INTERMEDIATE RESULT 1.2: IDENTIFY AND DEFINE ROLES AND RESPONSIBILITIES OF PUBLIC ENTITIES

Activity 2: Develop Implementation Strategy of the Investment Framework

Sub Activity 2.1 Map Roles and Responsibilities in Detail

Sub Activity 2.2 Establish Monitoring and Evaluation System

Implementation of this activity is dependent on the completion and acceptance of the NAS documents as discussed under Activity 1.

Activity 3: Provide Technical Assistance to Investment Support Unit (ISU)

Sub-Activity 3.1: Investment Roadmap Simplification and Investor Handbook

During Q3, PSDAG developed and published a Request for Proposals (RFP) for the development of an Agriculture Investment Handbook for Rwanda. The Handbook, originally intended to simplify the 2013 Investment Roadmap, is expected to provide comprehensive and relevant information that potential investors in the agriculture sector will need in order to make an informed investment decisions and to assist them with solving issues that require government of Rwanda services. This will include, but is not limited to, detailing all the processes that a prospective investor needs to go through, identifying roles and responsibilities of GOR institutions involved in investment promotion and facilitation and their contact information, and processes for accessing after-care. The bidders were also asked to provide solutions for making the Handbook accessible, dynamic, adaptable, and sustainable. The winning vendor will need to work closely with the consultants developing the Implementation Plan for the NAS since the NAS will be the core determinant for some of the processes, roles and responsibilities to be outlined in the Handbook. Bids were due in June and PSDAG expects to finalize the selection in July, with the handbook being completed by the end of Q4.

Sub-Activity 3.2: Technical Support to MINAGRI Investment Support Unit

In FY 2016, PSDAG aims to utilize the technical expertise of the EIA at MINAGRI to assist in fulfilling the PSDAG deliverables, and provide ongoing capacity building and mentoring for MINAGRI employees at the ISU to improve investment promotion. During Q3, PSDAG EIA at MINAGRI continued to provide technical assistance as summarized below.

Table 1: Summary of PSDAG EIA technical assistance to ISU at MINAGRI

Kinazi Cassava Plant
<ul style="list-style-type: none"> Provided support to MINAGRI to carry out an assessment of land availability and irrigation potential for cassava in Bugesera District. The company is looking for 3,000 ha to grow cassava for its industrial block and out grower's scheme. Linked the company with local authority for mobilization of farmers to work with the company. Facilitated a meeting between the company and RAB Crop department, to assist with mapping the source of cassava cuttings to be distributed to the out growers of the plant.
Kigali Farms
<ul style="list-style-type: none"> Assisted Kigali Farms in getting information on exemptions on import duties and VAT on agricultural equipment and products. The project also facilitated acquisition of request for waiver of import duties and VAT on equipment for its mushroom production plant.
Agriculture Solutions for Sustainable Development (ASSD) Ltd
<ul style="list-style-type: none"> ASSD is a start-up established by Agro-studies program alumni who sought A2F advisory support from ISU. Provided information on how to get finance for their project and linked them with BRD Agriculture Department.
Huye Animal Feed Plant
<ul style="list-style-type: none"> Huye Animal Feed Plant is being constructed under a grant facility from the Korean Government. PSDAG EIA has supported MINAGRI ISU in proposing sustainable business management models (privatization or leasing) for the management of the facility.

MINAGRI Technical team recommended privatization of the facility right after it has been completed. The construction work is set to be completed by October 2016.

Rwanda Industry Ltd

- Facilitated the meeting between Rwanda Industry Ltd and Rwamagana District officials. The Indian investor would like to set up a tomato processing plant in Rwamagana industrial park. The district accepted the business proposal and requested the investor to submit official application letter requesting for the selected land.

StrawTech

- StrawTech approached MINAGRI EIA for assistance with identifying the cause of farmers' low supply of straw to the company. In looking into the issue, EIA found that farmers were not supplying straw to StrawTech because they were not receiving payment upon delivery. StrawTech asked the farmers to submit an invoice before payment. Other farmers supplied straw to another investor who was paying cash on delivery even at higher price than StrawTech. MINAGRI will meet with RDB to facilitate renegotiations on the terms between the farmers and StrawTech.

MINAGRI Flagship Projects Tracker

- PSDAG updated the MINAGRI Flagship Project Tracker, which is used to inform senior management meeting such as IDEC, Economic Cluster and MINAGRI. The Tracker is included as an Annex.

Sub-Activity 3.3: Technical Support to Rwanda Development Board

In Q3, the PSDAG EIA at RDB continued to provide technical support to investment promotion and facilitation department. PSDAG EIA provided support to staff to write concept notes which were shared to prospective investors. The assistance provided mainly focused on data collection related to crop production, prices, availability of land, investment regulations and regulatory frameworks, and information related to incentives and taxation system. Concept notes are then stored in a central data portal that is accessible by RDB investment promotion staff.

At the request from the head of department of Investment Promotion and Facilitation (IPF), this data portal was expanded to include concept notes from the other four economic sectors: energy, construction, mining and manufacturing. The data portal will be presented to IPF staff for input and thereafter, the PSDAG EAI will conduct a short training for the sector specialists on how to upload and download documents to access and analyze data to be used to assist potential investors.

Table 2: Summary of PSDAG EIA technical assistance for Investors at RDB

Renew Green Net Company

- The company is planning to set up a fertilizer manufacturing factory in Rwanda. The factory will produce organic fertilizer using peat, lake sediments, limestone and volcanic ash. Preliminary studies have been completed. The company was advised to register, contact RAB and RBS for standardization and quality assurance.

PIETRUCHA

- Pietrucha was one of the companies which came with the Polish delegation that visited Rwanda for an investment opportunities' exploratory tour. The delegation included senior staff from the Ministry of Foreign Affairs, Ministry of Economic planning and well known investors in agribusiness, IT and other sectors. PIETRUCHA is interested in investing in poultry, Irish potatoes and horticulture. Eventually the company agreed to partner with NIRDA for the management and operation of the Nyabihu Irish Potato Community Processing Center, a concept established by MINICOM.

Grupoterrasul Company

- Grupoterrasul Company needed information on current situation of spaghetti imports and demand in Rwanda to support its investment decision in setting up spaghetti processing factory in Rwanda. The RDB EIA assisted by sharing data and information on market demand.

METEL GROUP Company

- PSDAG provided METEL GROUP Company with information on maize and wheat production, import and export and price trends and demand level; the group is interested in setting up a maize milling / wheat milling and edible oil refinery in Rwanda.

PALAIS DE LOME Company

- PSDAG provided PALAIS DE LOME, an investor interested in sericulture, with information on varieties and prices of sericulture.

PROPARCO

- PROPARCO is a financing agency that has headquarters in France but has subsidiaries in other parts of the world including Africa. It needed information on financing opportunities in agriculture and others sectors. The RDB EIA shared information on available projects in agriculture that would be targeted for financing. The company will make another visit in August and September.

Agribusiness Development Corporation (ADC)

- The Agribusiness Development Corporation (ADC) wants to establish a nursery for macadamia nuts trees, alongside a large scale farming operation and processing facility. The PSDAG EIA provided information on macadamia production trends and farming models practiced in Rwanda.

Metalking Ventures PVT Ltd

- PSDAG EIA provided Metalking Ventures PVT Ltd data on avocado production trends and opportunities in the manufacturing of organic fertilizers.

Ron Denmon Import & Export company

- Ron Denmon Import & Export company was mainly interested in investing in a coffee washing station. PSDAG EIA provided data on production trends, imports & exports and facilitated a visit to Maraba coffee washing station to see how coffee facilities operate.

Sub Activity 3.3: Agriculture Land Information System (Land Database) Proof of Concept

In Q3, PSDAG, with the help of Esri Rwanda, completed the development the ALIS system. The Minister of State exhibited a prototype of the system at the Grow Africa Investment Forum and the Director General conducted a short demo for the Minister of Agriculture, the Minister of Trade and Industry, and the U.S. Ambassador at the National Agricultural Show. MINAGRI staff were also trained on updating data and systems maintenance and provided strong positive feedback to the project on the usability and usefulness of ALIS.

Upon completion, ALIS will provide easy access and comprehensive information about MINAGRI-owned land for potential investors. The information will be available on a web portal where potential investors can search for relevant parcel information stored in a comprehensive database. The launch of ALIS is dependent on MINAGRI obtaining official permission to access the most up-to-date data from its government partners, especially Rwanda Natural Resources Authority (RNRA). As of the end of Q3, MINAGRI had not yet received formal, written permission or any updated data. In Q3, MINAGRI will work with RNRA and other partners to obtain official permission and to receive these datasets. Based on

receiving permission and data sets, PSDAG will work with MINAGRI to officially launch the system to the public during Q4.

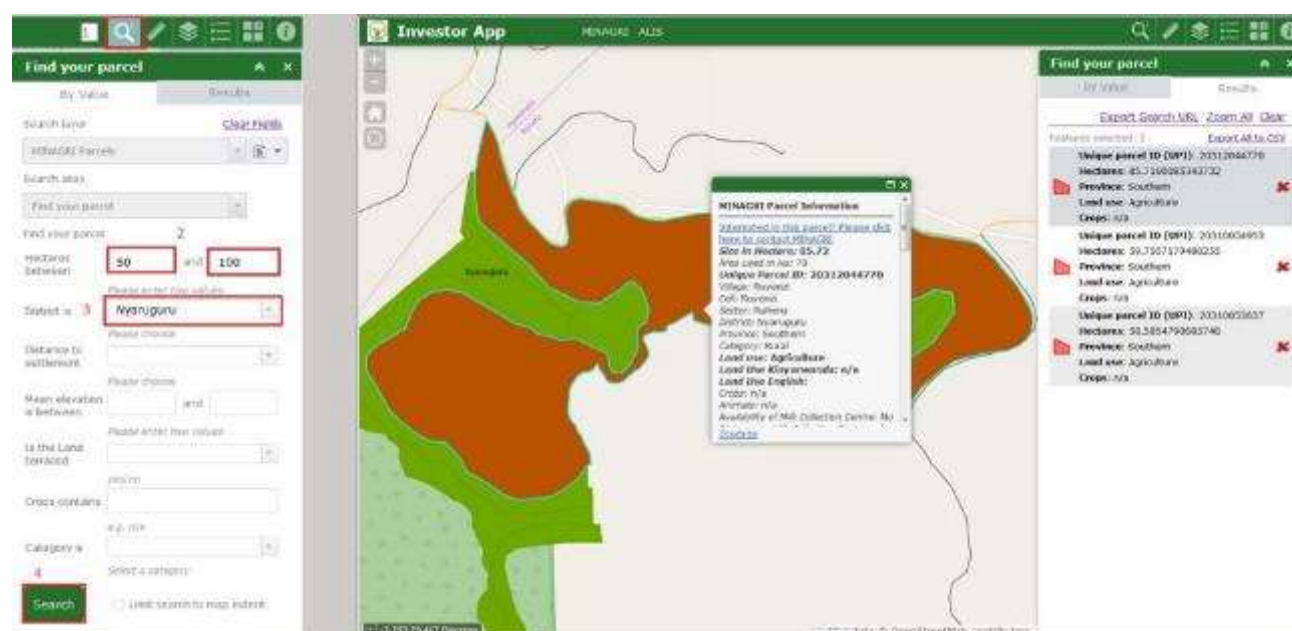


Figure 1: Example of a query using ALIS to find parcels between 50 and 100 ha in Nyaruguru District.

1.2.1.3. INTERMEDIATE RESULT 1.3: STRENGTHEN CAPACITY OF RELEVANT PUBLIC ENTITIES

Activity 4: Develop Capacity Building Tools and Plans

Interventions under this activity are dependent on the completion and acceptance of the NAS as discussed under Activities 1 and 2. PSDAG will recruit consultants to conduct an assessment of the GOR capacity building needs and a proposed sustainable mechanism to be used in Q4.

Activity 5: Assist with Public Private Partnership and Privatization Models

In FY15, USAID's Africa Lead project completed an analysis to evaluate the possibility of privatizing 20 of GOR's 86 irrigation schemes. For FY 2016, PSDAG planned to leverage the VCCF to incentivize and support responsible and inclusive private sector investments on GOR irrigation schemes, and pilot privatization on 2-3 sites. PSDAG would then use results of these pilots to identify more opportunities and scale to other sites.

In Q2, PSDAG engaged MINAGRI and RDB on the selection of two (2) irrigation sites and it was decided that PSDAG would use its grant mechanism to help with piloting the two projects where the private sector had already shown interest.

During Q3, PSDAG prepared a Concept Note on use of a grant mechanism to assist with the privatization of two identified sites. However, the Minister of State requested that this process be put on hold until the

ministry develops an Agricultural Land Use Management Strategy (ALUMS) to guide them in the process of allocating government concessions (both land and assets) to the private sector. PSDAG plans to hire a consultant to conduct an initial assessment of the development of both follow-on activities for ALIS and the development of ALUMS in Q4.

Activity 6: Business Enabling Environment: Assist with Policy Analysis and Reform Recommendations

Sub-activity 6.2: Poultry Competitiveness Study

The Poultry Competitiveness Study was completed during Q3. In May 2016, PSDAG consultants presented the final report to MINAGRI and other stakeholders who included the Rwanda Poultry Industry Association for validation. As part of the study, PSDAG consultants prepared and delivered to MINAGRI financial and economic models for five different categories of business models ranging from small to medium enterprises. Among other findings, the study established that the recent VAT exemption by GOR on the importation of animal feed ingredients has had positive impact on the sector. Prior to VAT exemption for feed producers, an investment in the feed producing factory would yield a negative financial rate of return of -11%, providing disincentive for private investment in this important segment of the poultry value chain. After the VAT exemption, feed producers are now realizing a financial rate of return of 53%. MINAGRI intends to use the findings of the Poultry Competitiveness Study to inform policy decisions that would create a favorable environment for increased investment in the poultry sub-sector. PSDAG plans to publish the report officially in Q4.

Sub-activity 6.5: Fertilizer Administrative Procedures

In Q3 of FY 2016, PSDAG District Field Agents (DFAs) continued to support MINAGRI in implementing its fertilizer subsidy distribution program. During the quarter, the DFAs continued to provide technical support to the agro-dealers under subsidy program by monitoring and recording the fertilizers and seeds supplied from the importers up to the farmers. The DFAs also supported in implementation of mFarms, an IT tool that has been developed by International Fertilizer Development Corporation (IFDC) to record the transactions carried out by agro-dealers under subsidy.

During Q3, reports from PSDAG DFAs in the 30 districts showed that 3,258 tons of fertilizer were supplied by importers to agro-dealers. Agro-dealers sold 3,654 tons to farmers (all 3,258 tons supplied in Q3 and 396 tons from the remaining stock of 2016 A season). Fertilizer transactions conducted by agro-dealers from April to the end of June 2016 translated to about \$ USD 1,954,924 in new agriculture input investments by farmers.

With the support of PSDAG's DFAs, a total of 748 agro-dealers continued to use mFarms technology. In addition, 59 new agro-dealers who joined the subsidy program in Q2 were mentored by DFAs on the fertilizer distribution system and mFarms use.

During Q3, a mid-term review of PSDAG's support to the input subsidy program through DFAs was conducted with USAID, MINAGRI and RAB to explore the DFA's exit strategy (December, 2016). In addition, and in response to alleged fraudulent activity by input suppliers and agro-dealers, PSDAG conducted a review of the input subsidy distribution processes to identify gaps and suggest remedial measures. The review findings were shared with Director of Agriculture in MINAGRI in charge of managing the input subsidy program. However, in June PSDAG received information indicating that in

order to remedy the gaps and prevent further fraud, the GOR was developing a concept note to engage the Reserve Military Forces (RMF) in the distribution of subsidized fertilizer to farmers. Following this development, PSDAG shared with USAID its recommendations on the way forward based on its findings and work with the DFAs. Recommendations included the following:

- Utilizing a farmer registration system, most likely voluntary, that would assist with verifying the quantities of subsidized inputs bought by farmers;
- MINAGRI, MINECOFIN and/or the Ministry of Defense should invest in proper, dedicated M&E for this program. This should be a parallel system so that at every stage of the process, there is a way to verify and document the transactions in terms of quantities and value, and that registered farmers are actual farmers. Also, there is a need for a periodic audit of the process to identify possible gaps and take proactive corrective measures.

PSDAG's plans to develop an exit strategy for the DFAs, who were intended initially to play a capacity building role only for agro-dealers, have been put on hold until GOR's plans have been made public and final.

Sub-activity 6.6: Export Commodity Aggregation Services for Airfreight

The Rwanda Airfreight Competitiveness Study that was finalized during Q1 identified insufficient quantities of various export commodities as an impediment to meeting the export volumes required by importers. To address this constraint, PSDAG partnered with NAEB during Q3 in developing a scope of work for a short term technical assistance, which will result in a proposal for an appropriate export commodity aggregation services model for agri-business in Rwanda seeking to use airfreight services to reach foreign markets. In this task, PSDAG seeks to hire an STTA to recommend a probable and practical business model for export commodity aggregation services that would enable the exporters to negotiate for lower airfreight costs. This consultancy is expected to be completed during Q4.

1.2.1.4. INTERMEDIATE RESULT 1.4: ENHANCE THE ABILITY OF GOVERNMENT AND BUSINESS TO PRODUCTIVELY ENGAGE EACH OTHER

Activity 7: Provide Technical Assistance to GoR to Improve Quality and Efficiency of Public/Private Dialogue

In the FY 2016, PSDAG planned to analyze the causal factors behind poor Public Private Dialogue (PPD) on national agriculture issues, pilot the implementation of new, more effective mechanisms for private and civil-sector stakeholders and build the capacity of both private and public sector actors to engage in meaningful dialogue, and monitor progress. In Q1, PSDAG engaged a consultant to help revamp the PPD for the agriculture sector in Rwanda. During Q2, the consultant proposed a model for a national Agri-PPD Framework for Rwanda. In addition, the consultant assisted in establishment and training of a National Task Force of PPD Champions who would work on a pilot PPD event, utilizing the proposed framework.

During Q3, PSDAG continued to explore viable options for strengthening the RPPD, pilot four local and one national agri-PPD events and recommend ways of leveraging current ICT in support of agri-PPD processes. The consultant is expected to accomplish these deliverables by December, 2016.

Also during Q3, the Private Sector Federation requested PSDAG assist the organization in providing advocacy assistance to the private sector and in prioritizing its activities in line with GOR priorities. In

response, PSDAG plans to conduct an organizational capacity assessment of PSF to determine appropriate areas of intervention. The scope of work for a consultant has been developed and it currently being reviewed. The consultancy is expected to take place during Q4.

1.2. OBJECTIVE 2: FACILITATE INCREASED PRIVATE SECTOR INVESTMENT TO UPGRADE VALUE CHAINS

Summary of Objective 2 achievements in Q3, 2016:

- Under the Value Chain Competitiveness Fund (VCCF), the following results were reported from its partnerships with private sector actors:
 - US\$1,351,859 farm income for 10,550 (3,942 females) smallholder farmers as a result of purchase of production by PSDAG grantees;
 - US\$674,360 new investments by PSDAG grantees to expand and upgrade their business operations;
 - US\$2,077,493 domestic sales of value added agricultural products by PSDAG grantees;
 - US\$947,865 export sales of agricultural products by PSDAG grantees;
 - 1,520 (including 510 women) smallholder farmers with new market linkages as result of PSDAG support to private sector actors;
 - 1,920 farmers (including 731 women) adopted new technologies or management practices (new drying technologies); and
 - US\$2,692,720 of agricultural and rural loans and value chain financing through inventory credit as well as direct lines of credit and capital financing from financial institutions (facilitated by private partners: ENAS, Kigali Farms and Sarura).
- Under Farmbook and PCC Upgrade Grants, PSDAG is supporting upgrading of 17 Potato Collection Centers in Rubavu, Nyabihu, Burera and Musanze Districts. Results achieved from implementation of Farmbook and PCC Upgrade Grants include:
 - US\$700,711 farm income for 5,870 beneficiary Irish potato farmers (including 3,658 women);
 - US\$740,005 domestic sales of Irish potatoes; and
 - 5,717 farmers applying Farmbook technology for their Irish potato transactions with PCCs.
- Under PSDAG Maize Grants, results reported by WFP from 21 supported cooperatives include:
 - US\$34,233 farm incomes for 1,763 (1,030 females) maize smallholder farmers;
 - US\$203,773 domestic sales to WFP by 13 cooperatives; and
 - 9,397 (5,007 females) smallholder farmers adopted new post-harvest handling technologies.
- PSDAG signed an agreement with Agrilift, an innovative company offering crop monitoring services using drone technology, which will be piloted with Imbaraga potato cooperative. PSDAG submitted 4 additional partnership agreements to USAID which should be finalized in Q4.

1.2.1. INTERMEDIATE RESULT 2.1: IDENTIFY MARKET OPPORTUNITIES AND LINK VC ACTORS TO OPPORTUNITIES

Activity 8: Mapping Market Opportunities

Annual Program Statement

From December 2015 to May 2016, PSDAG received 82 concept notes in response to the PSDAG APS. During Q3, PSDAG's Technical Evaluation Committee (TEC) finalized the evaluation of those concept

notes and preselected 26 to receive a Request for Application (RFA) to submit full proposals. PSDAG also organized applicant's conferences with pre-selected applicants and shared guidelines for preparation of project proposals. In the same quarter, PSDAG received and evaluated 18 full applications. As of the end of Q3, PSDAG has 8 new potential grantees in the pipeline.

PSDAG will continue to receive concept notes from the private sector on a rolling basis, as part of the APS process. In Q3, PSDAG implemented monthly rolling concept note and application reviews, along with an improved applicant communications system and monthly external events for successful concept note submissions and applications.

In Q4, PSDAG will conduct pre-award assessments and environmental compliance reviews for more than 8 pre-selected applicants. The goal is to shorten the time between acceptance and finalization, with the plan of signing additional grants in Q4.

Activity 9: Linking Market Opportunities to Value Chain Actors

Value Chain Competitiveness Fund (VCCF)

In Q4 of FY 2015, PSDAG launched the first Request for Application (RFA) to solicit applications from private partners seeking to make investments to improve the competitiveness of any stage of the four value chains, namely; maize, Irish potatoes, horticulture (high value fruits and vegetables), and dried beans. A total of 99 concept notes were received and 17 applicants were shortlisted for award of VCCF grants in 2015. By the end of Q3, PSDAG has signed grants with six (6) of the 17 shortlisted applicants, including AgriLift. PSDAG continues to undertake additional due diligence and complete grant documents for nine (9) remaining grantees, as two (2) of the original 17 are no longer being pursued. PSDAG submitted four (4) additional grant approval requests to USAID in Q3, which should be finalized early in Q4, with an additional five (5) remaining in final negotiations with grantees.

Table 3: Results of PSDAG funded projects under VCCF mechanism

Grantee: Kigali Farms Project activity: Button Mushroom high value vegetable crop for export and nutrition
<p>During Q3, Kigali Farms implementation of activities under this grant were at various stages of completion: Substrate plant construction was at 95% completion; second phase of mushroom growing houses started; supply of electricity to the production plant was completed; mushroom production equipment -baler, tractor, generator, cold room, and pre-cooler-shipped; and RSB conducted quality testing of key raw materials for mushroom production.</p> <p>Key results recorded in Q3:</p> <ul style="list-style-type: none"> • US\$ 1,091 off farm income for 98 (61 women) straw farmers/collectors through purchase of wheat straw used as raw material for production of button mushroom. • US\$ 595,160 value of new investment for construction of new mushroom production facility in Musanze District • 40MT of straw bailed and transported to substrate plant in Musanze. • 30 Farmer Field School (FFS) facilitators trained on mushroom growing who in turned reached 750 (250 men and 500 women) smallholder farmers in Musanze District.
Grantee: Hollanda Fair Foods Project activity: Manufacturing potato chips for a competitive potato sub-sector in Rwanda and beyond - new and large machine, new products
<p>Update on grant activities during Q3 include completion of packaging designs, and installation of financial software (QuickBooks).</p> <p>Key results recorded in Q3:</p> <ul style="list-style-type: none"> • US\$ 4,883 farmer income for 1,220 (510 females) Irish potato smallholder farmers. • US\$ 20,625 value of new investments to improve potato processing facility. • US\$ 12,870 domestic sales of value-added Irish potato.

- 1,520 (510 females) farmers with new market linkages for their Irish potato.

Grantee: Sarura Commodities

Project activity: Supporting maize and beans farmers' access to high value Rwanda and regional markets through establishment of crops aggregation centers in Eastern and Southern Province, Rwanda - beans and maize

During Q3, the 11 cooperatives with supply contract with SARURA continued to receive assorted PHH equipment like solar bubble dryer, moisture meter, weighing scales, willkhal aluminum structure and safety uniforms.

Key results reported by SARURA in Q3:

- US\$15,000 domestic sales of value added maize.
- 450 farmers trained on PHH technologies and marketing strategies.
- 150 farmers (50 females) assisted to access US\$75,000 as loans for production inputs.

Grantee: MINIMEX

Project activity: Post-harvest and handling grant to maize cooperatives

Implementation of this project is underway and will continue through Season A, 2017. During Q3, PSDAG continued with procurement and installation of low-cost maize drying and storage facilities. In addition, MINIMEX conducted training for 29 cooperatives in the use of equipment and maintenance of these technologies.

Key results reported by MINIMEX in Q3:

- US\$534,635 farm incomes for 8,532 (3,150 females) maize smallholder farmers.
- US\$947,865 exports of maize (US\$944,515) and beans (US\$103,348).
- US\$2,049,623 domestic sales of maize flour (US\$1,266,774), maize bran (US\$103,349) and maize grits (US\$679,500).
- 72 (62 males and 10 females) trained on new drying and storage technology (solar bubble dryer, collapsible dryer case and cocoon) as ToTs, who in turned trained 14,746 farmers (5,644 females).

Grantee: ENAS

Project activity: Kirehe Grain Storage Facility for maize and beans

During Q3, ENAS conducted training for farmers on beans post-harvest practices. Also, ENAS began construction of silo storage facility to be equipped under this grant activity. Manufacturing of silos equipment in Brazil is underway and expected to be shipped to Rwanda in Q4.

Key results reported by ENAS in Q3:

- US\$ 810,000 farm incomes for 700 (221 females) smallholder farmers.
- US\$ 58,575 of new capital investment in construction of silo storage facility.
- 709 farmers (221 females) trained on beans post-harvest practices.

Grantee: AgriLift

Project activity: Advanced Crop Monitoring for Smallholder Irish Potato Farmers

Grant agreement with AgriLift was signed in Q3 and implementation of grant activities is expected in Q4. However, results from uptake on new crop monitoring technology may not be reported until Season A 2017.

Based on lessons learned in Q1 and Q2, PSDAG trained and incorporated the C2 technical staff more directly in the evaluation and management of private partnership applications. PSDAG conducted a half day workshop to mentor technical focal persons on best practices for the selection, negotiation and monitoring of VCCF grantees. PSDAG assigned technical focal persons to each PSDAG grantee to facilitate communication, monitoring and technical assistance. In addition, PSDAG has begun to engage these technical focal persons early in the evaluation process and throughout the due diligence process to ensure PSDAG thoroughly analyzes the proposed investments from a technical perspective.

Activity 10.1: Analysis of Competitiveness of Value Chains and Business Models

During Q3, under PSDAG APS for FY16, the project received a concept note related to climate information dissemination and use to reduce agriculture-associated risks. The concept note was approved

and the private sector entity has submitted full grant application. PSDAG consulted the Climate Change Services for Agriculture and Food Security (CCAFS) project implemented by CIAT and Meteo Rwanda to gather information related to rules and regulations guiding private sector involvement in this area. The information gathered will be useful for the PSDAG team during evaluation of the project proposal and designing of private sector support programs in this area.

Activity 10.2: Provide Business Development Services

In Q2, PSDAG evaluated 56 applications from BDS providers and seven (7) applicants were shortlisted, interviewed and found to be suitable to provide business planning and access to finance assistance to grantee cooperatives. The process for designing and awarding these BDS services will be refined in Q4 for implementation in Q4 and Year 3. In the same quarter, PSDAG also re-published a request for expression of interests from national, regional and international firms with the depth and breadth of experience required for high value and sophisticated business development services such as business processes, marketing, and product development among others. In Q3, 75 applications were received in response to PSDAG's re-published call for request of expression of interest for provision of BDS services. 22 pre-selected applicants were evaluated and eight (8) applicants were shortlisted for use in provision of BDS services to PSDAG grantees on an as-need-basis. PSDAG will develop a survey tool to assess partners' needs and willingness to pay for BDS. Based on the results, PSDAG will develop Scope of Works (SOW), which will be shared with shortlisted BDS providers.

Activity 11: Strengthen Aggregation and Post-Harvest Handling

Sub activity 11.1: Farmbook and PCC Upgrade Grants

By the end of Q3, PSDAG had finalized partnerships with 13 cooperatives to support upgrading of 17 Potato Collection Centers (PCCs) and provision of business development services via Farmbook, supporting 5,826 farmers in Rubavu, Nyabihu, and Musanze Districts.

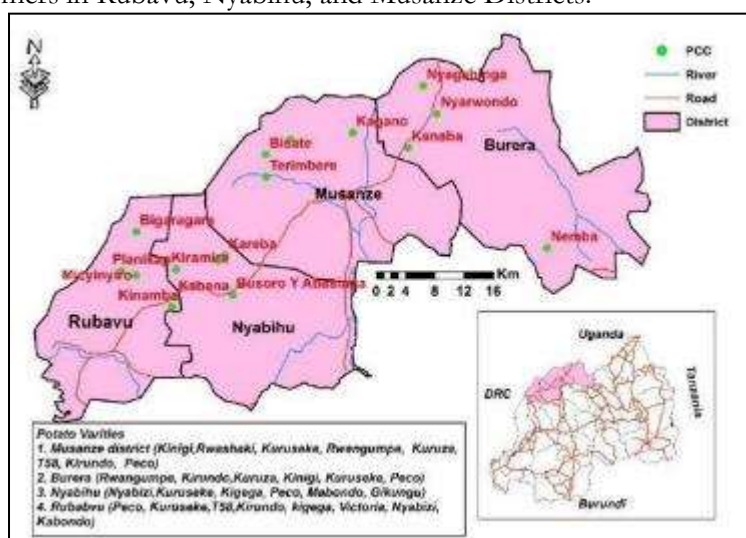


Figure 2: Geographical distribution of the 17 PCCs supported by PSDAG

Under Farmbook and PCC Upgrade Grants, the following activities were implemented during Q3:

Assessment of PCCs' business systems and processes

In April, PSDAG brought in a specialist to evaluate PCC business systems and process flows with the aim of identifying areas that require strengthening and additional technical assistance. PSDAG began implementing these recommendations on the digitalization of workflow processes and operations around potato buying and selling of four (4) PCCs, one per district as a pilot. As per the recommendations, in line with PCCs' processes, six (6) new forms were designed and incorporated in Map & Track platform using iFormbuilder. Both PSDAG field managers and marketing agents were trained on new forms. The supplier registration form was rolled out to all 17 PCCs and data will be submitted in Q4.

Assessment of PCCs' business systems and processes

A training needs assessment for 17 PCCs was conducted during the quarter focusing on key positions – PCC Collection Centre Manager, Agronomist, and Accountant. The survey was done using a survey monkey tool administered by field managers. Findings of the training needs assessment will be used to develop training modules for PCCs in FY17.

Distribution of PHH equipment

Distribution of post-harvest and handling equipment to all 17 PCCs was completed. This is part of PSDAG's broader strategy of upgrading PCCs to make them competitive and profitable. PSDAG therefore, distributed assorted equipment (weighing scales, packaging materials, pellets, wheelbarrows, shelves, grading tables, stationery and furniture) to seven PCCs whose grants were approved in Q2.

Sub Activity 11.2: 2016 Maize Post-Harvest Handling Grants

In Q2, PSDAG signed grant agreements with 20 out of 21 cooperatives approved, benefitting 8,794 farmers for the supply of PHH equipment.

During Q3, PSDAG signed the final grant agreement and distributed assorted post-harvest equipment to all 21 cooperatives, including 2,367 tarpaulins, 8 weighing scales, 6,500 packaging bags, 6 moisture meters, 150 pallets, 2 winnowers, and 2 shellers.



Photo 1: Members of KARAMBO 1 farmers' cooperative Carrying a shelling machine supplied with support from PSDAG grants to their maize drying facility in Kayanza District.

Activity 12: Support the Testing and Adoption of New Technologies

In Q1, PSDAG received a grant proposal from MINIMEX requesting different viable drying and storage technologies including AflaStop, solar bubble dryers, collapsible dryer cases and ultra-hermetic cocoons. In Q2, five cooperatives were trained on use of AflaStop drying units and they received 5 dryers.

During Q3, under the MINIMEX grant, PSDAG in collaboration with EUCORD and GrainPro trainers, trained 30 cooperatives on how to use Solar Bubble Dryer, Collapsible Dryer Case, moisture meters and ultra-hermetic cocoons. Also, 12 technicians from PRODEV, MINIMEX and EUCORD were trained on the use of Aflatoxin detection kits. Training was conducted over a two-day period (May 29 to 30, 2016) in the Rwamagana District, and 75 people (66 men, 9 women) from different partners attended this training.

Moreover, PSDAG distributed five (5) solar bubble dryers, 25 collapsible dryer cases, 12 cocoons, 12 0² meters, and 27 moisture meters to the 30 cooperatives located in Rwamagana and Kayonza Districts. Also, PSDAG and partners EUCORD and IFC, met and agreed on parameters to conduct side-by-side testing of new technologies. The testing will take place during Season B of 2016 and will continue through Season A of 2017.



Photo 2: Practical session on how to use a solar Bubble dryer, PRODEV site, Rwamagana District, May 5, 2016

During the Grow Africa Investment Forum held in Kigali on May 10 to 11, 2016, PSDAG displayed these innovative drying technologies (Aflastop, solar bubble dryer and collapsible dryer case) to conference attendees and answered questions regarding their testing and application in Rwanda.

Activity 13: Support the Establishment of Ancillary Businesses

No significant activities were recorded during Q3. PSDAG is finalizing a grant that would increase the quantity and quality of potato seeds produced and available for seed multiplication in Rwanda. PSDAG is in the final stages of completing due diligence and plans to submit this grant for USAID approval in Q4.

Activity 14: Support Processing and Value Addition

Under VCCF, PSDAG awarded grants to five private sector firms to support processing and value addition projects. During Q3, implementation of these five grants continued and progress on implementation of grantee activities is summarized below.

Hollanda Fair Foods Ltd

PSDAG is supporting Hollanda Fair Foods Ltd to implement a project on manufacturing potato chips for a competitive potato sub-sector in Rwanda and beyond. Under this grant agreement, PSDAG will help Hollanda acquire a potato frying machine, purchase of a quality control conveyor belt, a packaging conveyor belt and a turn table, printing machine for Winnaz-branded bags, a new chimney, a water purification system and financial QuickBooks software.

During Q3, Hollanda purchased 14,521 tons of Irish potato and farmers earned US\$ 4,883. Hollanda also organized meetings with farmers to sign supply contracts for season 2017A and contracts are still being discussed. Designs of the new packaging and choice of new flavor have been finalized. The company will now have two flavor options and two bag size options. The products for export will be introduced in the beginning of August, while the products for domestic sale, which must meet biodegradable requirements, will be introduced the first week of October. In addition, Hollanda installed and staff have been trained in the use of QuickBooks 16 offline version. Furthermore, Hollanda has exported 10% more crisps to Uganda and the first serious relationships with DRC has been established. It expects that when all the new machines are in place in Q4, Hollanda will be able to produce at a lower cost and increase its profit margin.

SARURA Commodities Limited

PSDAG is supporting SARURA to equip five collection centers (located in Ngoma, Kayonza, Kamonyi and Gatsibo districts) and train farmers on production and supply of high value maize and beans to these centers. In Q3, PSDAG assisted SARURA to acquire innovative post-harvest equipment such as solar bubble dryers, digital moisture meters, WiikHall aluminum tent storage structure, safety uniforms, and weighing scales were distributed. Moreover, 450 farmers were trained on inventory credit, post-harvest and handling techniques. In line with operationalization of five collection centers, SARURA contracted an additional four (4) cooperatives, and purchased 400MT. Also, through the inventory credit system, SARURA facilitated 150 famers (50 females) to access US\$75,000. Furthermore, PSDAG linked SARURA to African Improved Food Limited and this enabled SARURA to secure a supply contract of for maize.



Photo 2: Maize stored in WiikHall storage tent at Kayonza Collection Center, June 2016



Photo 3: GrainPro trainer demonstrating use of a moisture meter at Sarura's Collection Center in Kayonza, 22 June 2016

Kigali Farms

In January 2016, under a grant mechanism, PSDAG partnered with Kigali Farms to establish the first button mushroom production facility in Rwanda. Kigali Farms is investing in button mushroom supply based on its profitability and growing market demand, both locally and regionally. In addition, Kigali Farms is committed to training farmers to grow mushroom as both a cash crop and an affordable source of good nutrition. The PSDAG grant will assist Kigali Farms to buy equipment for a newly established mushroom substrate and growing facility in Musanze, Northern Province, tightly integrated with the local community. Kigali Farms is constructing a facility that will produce 250 tons of mushrooms per year. Production of mushroom requires use of locally available raw materials including wheat straw to produce the substrate. Farmer and outgrower organization is a key component of Kigali Farm's business model as this activity intends to have a social impact, namely bringing nutrition and income to small holder farmers. Kigali Farms has therefore decided to collaborate with the Farmer Field School (FFS) network. In Q2, Kigali Farms began the construction of the substrate and growing facility and established three straw collection centers in Musanze District.

During Q3, construction of the substrate plant was at 95% complete and Kigali farms expects to start operations in July. Delays occurred related to the manufacturing and shipment of equipment, however, these delays do not impact the grantee's production schedule. Also in the same quarter, Kigali Farms collected 80T of straw in 3 collection centers (Busogo, Ntotsi and Nyange). That is an extra 30T compared to quantity collected in Q2; and additional 98 straw collectors were paid by Kigali Farms for their straw (61 women/ 37 men).

In Q3, Kigali Farms started training 30 FFS facilitators (22 women/ 8 men) to grow mushrooms. FFS facilitators learned how to build a mushroom house, plant mushroom tubes, monitor the crop, harvest and also cook mushrooms. Master trainers also shared with FFS facilitators the economics of mushroom growing (investment plan, returns, and expected yields). The 30 FFS facilitators that were trained manage 84 farmer groups (1,600 farmers) in Musanze District. Kigali Farms is aiming for all 84 groups/1,600 farmers to begin growing mushrooms by the end of 2016, using their common plot to grow mushrooms.



Photo 4: Training of farmers on construction of mushroom houses using locally available materials, Musanze District, May, 2016

ENAS Ltd

PSDAG is supporting ENAS to increase its storage capacity to 14,000 tons of maize and beans, helping the company expand operations significantly and capture a bigger portion of the local market while

expanding services to clients in the maize value chain. With the PSDAG grant, ENAS will acquire two (2) silos with built-in dryers. In addition, PSDAG will support ENAS to train farmers in post-harvest handling and better farming practices. During Q3, two storage silos were manufactured and are expected to arrive in Rwanda in Q4. In addition, ENAS trained 707 farmer representatives from 10 cooperatives on post-harvest and handling best practices for bean in Kirehe district. ENAS has made strong progress in digitally registering its farmers in the supply chain with an initial 750 farmers currently registered out of a target of 1,400 farmers. PSDAG will support ENAS in seasonal debriefs and improving how it and its cooperatives use this data to project costs and revenues and make improved business decisions around marketing and finance.

MINIMEX Ltd

PSDAG is supporting MINIMEX to introduce a number of improved technologies and practice changes into the MINIMEX smallholder supply chain with the objective of reducing average post-harvest maize losses by 50% over a three-year period. This will improve the quantity and quality of maize available for processing and consumption as well as increasing the incomes of an estimated 7,500 farmers.

During Q3, PHH equipment (shellers, solar bubble dryer, ultra-hermetic cocoons, collapsible dryer case, PICS bags, aflatoxin detection meters, moisture meters and oxygen meters) were distributed to 30 cooperatives located in Rwamagana and Kayanza, while continuing the procurement of others. For a better usage and maintenance of PHH equipment, PSDAG facilitated training of 29 cooperative and partner representatives who are expected to train members of their cooperatives. The training was conducted on May 3-6, 2016 in Rwamagana District, Eastern province, and delivered by GrainPro.



Photo 5: Practical demonstration on solar bubble dryer assembly at PRODEV site in Rwamagana District, May 4, 2016

Activity 15: Assist Value Chain Actors to Build Formal Business Relationships

PSDAG support to value chain actors and cooperatives under the VCCF is predicated on the existence of a formal business relationship between suppliers and buyers. During Q3, three PSDAG grantees continued to strengthen their formal business relationships with value chain actors. Hollanda Fair Foods Ltd continued to buy Irish potatoes from two PCCs benefiting more than 1,220 (510 females) farmers. Kigali Farms collected 80MT of straw in 3 collection centers (Busogo, Ntotsi and Nyange) and additional 98 straw collectors have been paid by Kigali Farms for their straw (61 women/ 37 men). Sarura continued to buy maize and beans through established five (5) aggregation centers to purchase maize and beans, and provided new contracts to four cooperatives; and MINIMEX buys high quality maize directly from 30 cooperatives, representing 7,500 farmers.

In Q3, PSDAG also developed the SOW for a contract farming SITTA that will provide a combination of training/workshop and one-on-one support to select businesses engaged in contract farming. The

consultancy is a response to numerous complaints received from both buyers and financial institutions that continue to have issues with side-selling, quality management and timeliness of delivery. The results of the consultancy will also inform Year 3 strategies for professionalizing cooperatives that are seeking to sell to large, commercial buyers. The consultancy is expected to be completed in Q4.

Activity 16: Use of Information Communication Technology to Provide Production and Market Information

Please refer to the following sub-activities:

- Under Sub-activity 6.2 - Fertilizer Administrative Procedures, PSDAG DFAs supported 748 agro-dealers to continue using mFarms technology for their fertilizer transactions under the fertilizer subsidy distribution system.
- Under Activity 11 - Potato Collection Center Upgrade and Farmbook Grants, 17 PCCs started to use Farmbook for their transactions with Irish potato farmers.

PSDAG has accepted companies promoting ICT solutions to submit applications and will have more information on the viability of these business opportunities in Q4.

Activity 17: Improve Borrower Readiness and Access to Finance

The PSDAG A2F team linked Duterimbere Micro Finance Institution (MFI) with chili cooperatives that have a supply contract with PEBEC, a chili exporter and partner to PSDAG. In Q3, PSDAG A2F team continued to facilitate groups of chili farmers from Rusizi to access loans from Duterimbere MFI. The MFI completed the loan process and the loan was approved. Consequently, farmers were successfully supported to secure financing of US \$43,750 to finance their post-harvest activities. US\$31,250 was disbursed directly to about 100 farmers and US\$12,500 was disbursed through their cooperative, COPCUMA. Also, as result of prospective PSDAG grant approval, Root Capital disbursed US\$75,000 to PEBEC with a condition that an additional \$75,000 will be disbursed upon approval of the PSDAG grant.

Kigali Farms leveraged the PSDAG grant to receive approval for an investment loan of US\$208,860 from Kenya Commercial Bank.

Furthermore, under the PCC Upgrade and Farmbook grants, PSDAG linked KOABIKI potato cooperative to a local MFI, and the cooperative was able access a loan worth US\$12,500 for use as working capital.

PSDAG will continue to identify opportunity to leverage its partnerships with buyers to enable farmers to become more attractive to financial institutions who accept contract relationships as a soft collateral.

1.2.2. INTERMEDIATE RESULT 2.2: STRENGTHEN VERTICAL AND HORIZONTAL VALUE CHAIN LINKAGES AND BUILD CAPACITY

Activity 18: Support Agro-dealers' Capacity to Deliver Improved Technology and Access Finance

In Q1, a needs assessment was conducted through the DFAs to identify the need for access to finance by agro-dealers. The assessment revealed that Agro-dealers require funds in July/August to enable them to purchase fertilizer stocks required by farmers for use in Season A and B.

During Q3, PSDAG's A2F team supported DFAs to update and assess additional needs on business support services to agro dealers to facilitate access to finance to increase purchase of agro inputs as they prepare for season 2017A. By June, three DFAs from Nyagatare, Rulindo and Ngororero had submitted

their assessment findings. The major issues identified include insufficient collateral, low input use and delays in loan processing. In Nyagatare District, agro dealers' cooperatives in the area need business development support services to strengthen and professionalize their enterprises which will eventually increase their readiness to access and manage credit from financial institutions. In other districts it was noted that most agro dealers access credit from input suppliers and importers and pay back after sale. This has reduced their demand for credit finance from FIs. Therefore, BDS to professionalize their enterprises may be more ideal to the agro dealers' cooperatives in all districts. In Q4, PSDAG will draft appropriate SOWs to identified BDS providers for addressing issues highlighted.

Activity 19: Assist in the Expansion of Mechanization Services

Mechanization Pilot Program with Voluntary Agricon (VAC)

In Q1, PSDAG conducted an assessment of 17 cooperatives currently working with VAC to assess the current status of agricultural mechanization, evaluate their financial needs, identify financial institutions prepared to finance mechanization, and identify opportunities for PSDAG to assist this process. In Q2, the project team continued to conduct economic analysis of agriculture mechanization, and the PSDAG team drafted a business model to pilot a program by providing a grant to two (2) cooperatives with more than 100 ha of land located in Kirehe and Nyagatare because the two districts are far from the VAC base.

However, in Q3, PSDAG attended a stakeholders' workshop on "Private Sector Investment in Agriculture Mechanization". The meeting was organized by Rwanda Agriculture Board (RAB) and attended by various actors including mechanization service providers, cooperatives and farmers, public agencies and partners. During the meeting, PSDAG made a presentation on "Opportunities and Packages available for Mechanization" through the APS. During this meeting PSDAG learned that there are now several service providers in Rwanda for mechanization and it would therefore be hard to justify the selection of working solely with VAC.

PSDAG identified 6 key services providers involved in mechanization and dealing with farm machinery and agro-processing machinery. Despite a limited number of actors in mechanization, PSDAG found that expansion of existing services would be more important to increase proximity between service providers and potential clients. Consequently, in Q4, PSDAG will meet with key players identified in mechanization, to assess their business models and identify key challenges that hinder their investment to reach farmers and explore possible areas of partnership. To address the systemic challenge around mechanization, PSDAG will focus on increasing access to financial services offered by, or in partnership with identified vendors in Year 3.

Small Scale Irrigation Technology

In Q2, PSDAG initiated discussions with the Rwanda Agricultural Board (RAB) on their Small Scale Irrigation Technologies (SSIT) program in which farmers can access small scale irrigation with a 50% subsidy from MINAGRI, but still requires an initial investment of \$1,500 USD by the farmer. The PSDAG team was interested in learning how the project can collaborate with SSIT and therefore, carried out a field study to assess the current status. The assessment entailed profitability, sensitivity and budget analysis on small scale irrigation technology. The results of this assessment will be finalized in Q4. In Year 3, PSDAG will consult with RAB on how to improve this system and address some of the known constraints reducing uptake, including which vendors it offers the program to.

During Q3, PSDAG received two grant proposals dealing with irrigation solutions. One company proposes to introduce, sell, install and maintain drip irrigation systems in the maize value chain; another

plans to import and sell affordable solar powered irrigation pumps to smallholder farmers. PSDAG anticipates finalizing evaluation of both proposals during Q4.

Activity 20: Assist in the Privatization of Large Irrigation Schemes

PSDAG's interventions to assist in the privatization of large irrigation schemes is discussed under Activity 5 - Assist with Public Private Partnership and Privatization Models. PSDAG received one large proposal through its VCCF for mechanization on a MINAGRI site in Eastern Province. PSDAG has begun a thorough due diligence process to vet this potential investor and the business model.

Activity 21: Build the Capacity of Financial Institutions

Sub Activity 21.1: Technical Assistance to BRD

In Q1, PSDAG STTA assisted Banque Rwandaise de Development (BRD) to develop an Agricultural Financing Operational Plan. The STTA also made recommendations on BRD needs and actions required to implement the agriculture financing strategy. During Q2, PSDAG reviewed the STTA report and requested BRD to gather the additional information before submission of the report to BRD for implementation.

During Q3, PSDAG A2F team finalized an assessment of the needs of the BRD Agriculture Department and suggestions for development of an operationalization plan, which was submitted and approved by USAID and BRD. PSDAG has drafted an MOU with BRD, which will guide future PSDAG support and clearly define roles and responsibilities for both parties. During Q4, PSDAG will engage consultants to help implement the MOU with BRD.

Activity 22: Pilot the Use of Other Financial Service Products

Under the VCCF, PSDAG signed a grant agreement with SARURA Commodities to improve crop aggregation using an inventory credit system. During Q3, SARURA Commodities assisted 150 famers (50 females) access \$75,000 in loans using inventory credit system. SARURA offers an attractive risk-sharing mechanism to farmers who need cash at harvest but want to be able to benefit from price increases.

I.2.3. INTERMEDIATE RESULT 2.3: STRENGTHEN INPUT SUPPLY AND OTHER SUPPORTING SERVICES

Activity 23: Provide Technical Assistance to the Private Sector to Improve Quality and Efficiency of Public/Private Dialogue

Interventions and results under this activity have been discussed under PSDAG support to revamp Rwanda PPD framework. See Activity 7 under Result 1.4.

2. MONITORING & EVALUATION AND CROSS-CUTTING COMPONENTS

2.1. MONITORING AND EVALUATION

Roll out of Consolidation Network Me&E System

In collaboration with CRS, PSDAG will utilize Map and Track application to fully automate data collection, aggregation and reporting at the farmer, cooperative and firm level. During Q3, PSDAG designed forms for use by grantees to collect and report on baseline and quarterly data. Current PSDAG grantees were also trained on the Map and Track system and also provided with Tablets for use in data collection and reporting. Consequently, all PSDAG grantees submitted their Q3 progress reports through the Map and Track platform. PSDAG plans to ensure that all grantees use this system for reporting and business development purposes.

PSDAG initiated discussions with grantees on how data collected and information sharing might improve its supply chain and quality management as well as increase access to finance and improve business decision making.

2.2. SOCIAL INCLUSION

Based on its Gender and Social Inclusion Integration Plan, PSDAG launched a recruitment process to identify and select a company to develop a Gender and Social Inclusion curriculum, and recruit and train local service providers to implement the curriculum with PSDAG grantees. The goal is to build the capacity of companies to develop social inclusion strategies and understand both the business and social impact of its business on women, youth and persons with disabilities. By the end of Q3, PSDAG identified a firm who will be contracted in Q4 for the assignment.

Also, PSDAG continued to approach and mobilize various institutions and organizations which are specifically involved in strengthening women, youth and PWDs for sensitizing them about their role in supporting and encouraging their respective groups to exploit the PSDAG's opportunities in terms of grants such as National Youth Council, Rwanda Youth in Agribusiness, Rural Development Initiative, Duterimbere NGO and NUDOR. As a result, six companies submitted their grant concept notes under PSDAG APS that have a strong social inclusion focus.

2.3. COMMUNICATIONS, CAPACITY BUILDING, AND KNOWLEDGE MANAGEMENT

Communications

PSDAG activities implemented in Q3 were covered in the press and social media (PSDAG official twitter account https://twitter.com/psdag_rwanda/) as seen shown below.



Photo 7: Demonstration of ALIS at Rwanda National Agriculture Show, June 12, 2016



Photo 6: Cleaning of beans by farmers in readiness for sale to PSDAG grantee – ENAS, June 28, 2016

During the Grow Africa Investment Forum held from May 11 to 13, 2016 in Kigali, PSDAG prepared and shared a press release on the investment support in commercial agriculture in Rwanda conducted in May, 2016. This was part of PSDAG's strategy to showcase support provided to assist the GOR facilitate private sector investment in agriculture sector.

PSDAG continued to track implementation of grantee activities with the aim of identifying the effect, outcome and impact of PSDAG investments to firms, cooperatives and smallholder farmers. PSDAG prepared two success stories as a result of implementation of grant activities by SARURA Commodities.

PSDAG is also in the process of preparing a Project Profile Book, which will contain background information and up-to-date status of projects and grants. The profile book will be used to provide quick information for success stories, press releases, social media, visiting VIPs, USAID site visits, and visiting technical consultants. An edited prototype for Year 2 is expected to be available by the end of Q4.

Capacity Building and Knowledge Management

PSDAG Capacity Building and Knowledge (CB&KM) team supported Objective 1 and Objective 2 to ensure PSDAG training sessions and meetings with stakeholders are in compliance with USAID branding and marking requirements. Also, PSDAG supported grantees, MINIMEX, ENAS, and PCCs, in the planning and implementation of training programs for branding training materials in line with USAID branding guidelines.

The CB&KM team also provided support to Component 2 by designing the scope of work and evaluating BDS service providers (Activity 10.2: Provide Business Development Services).

2.4. ENVIRONMENTAL COMPLIANCE

PERSUAP

In Q2, PSDAG PERSUAP was approved by USAID and PSDAG has commenced the process of preparing a SUAP (Safer Use Action Plan). During Q3, PSDAG prepared an SOW for an STTA to fulfill the SUAP implementation and successfully recruited an Environmental Compliance Expert to support PSDAG project to implement SUAP Compliance Tracker and Action Plan for FY2016. Specifically, the

SUAP expert consultant will develop Safe Pesticide Use (SPU) materials, train PSDAG staff and grantee focal persons, and develop SPU best-practices ‘info-pack’ for use by PSDAG partners. The consultancy is expected to be completed by the end of Q4.

EMMP

As per EMMP requirements, PSDAG monitored implementation of environmental mitigation measures for all PSDAG grant activities. So far, there have been no grants that have required mitigation measures.

3. PARTNERSHIPS AND LINKAGES WITH OTHER PROJECTS

Horticulture Working Group (NAEB and IFC)

In August 2015, the Minister of Agriculture and Animal Resources inaugurated a Rwanda Horticulture Working Group. The group composed of both private and public actors and was formed to tackle issues within the Horticulture sector and propose possible solutions. PSDAG is among the participants of this forum. NAEB, in collaboration with IFC, organizes quarterly meetings for the working group.

In Q3, PSDAG attended a third Rwanda Horticulture Working Group session and the meeting was held April 5. During this meeting, PSDAG made two presentations: (1) PSDAG Grant program, and (2) Airfreight Competitiveness Study. The group gave feedback to PSDAG that they are very interested in piloting a private-led aggregation service for horticulture in order to negotiate more competitive airfreight rates. Therefore, PSDAG partnered with NAEB to create an SOW and the recruitment of consultants is underway. It is expected that the consultancy will begin Q4 and extend into Year 3.

World Food Program Patient Procurement Platform

Under PSDAG's Maize Grants, WFP sought partnership with PSDAG to support 38 cooperatives by cost-sharing post-harvest equipment through an in-kind grants mechanism for season 2016-A. PSDAG issued an RFA to upgrade maize cooperatives' aggregation centers that will be formally linked through contracts with off takers. Under this arrangement, WFP purchases maize from cooperatives through Rwanda Grains Cereals Corporation (RGCC).

In Q3, PSDAG finalized distribution of PHH equipment to 21 maize cooperatives as discussed under Sub Activity 11.2: 2016 Maize Post-Harvest Handling Grants. In addition, WFP collected and shared data to report on outcomes achieved as a result of the support provided to maize cooperatives. WFP has indicated that adhering to contracts and side-selling has been an issue with cooperatives. As noted earlier, PSDAG is working on developing a workshop and mentorship STTA for developing effective and incentivizing contracts to avoid this situation. WFP will be a part of this workshop.

MINIMEX/EUCORD/IFC/USAID's AflaStop

Under VCCF, PSDG signed a grant agreement with MINIMEX to improve maize drying, processing and storage in the MINIMEX smallholder supply chain. Implementation of this grant includes three other partners with different roles. European Cooperative for Rural Development (EUCORD) provides extension services to cooperatives with the aim of improving agronomic practices, manage deployment of technologies to participating cooperatives, monitor and report on grant activities. PRODEV Ltd (a sister

company of MINIMEX) buys maize from cooperatives. IFC is responsible for business development, M&E and capacity building of cooperatives.

In Q3, as discussed under Objective 2, Activity 11, PSDAG continued with procurement and installation of low-cost maize drying (including AflaStop) and storage technologies. In addition, MINIMEX/PRODEV/EUCORD conducted training for 29 cooperatives in the use of equipment and maintenance of these technologies. AflaStop is a USAID-funded program in Kenya.

2016 Value Chain Competitiveness Fund

Through the end of June, PSDAG had reviewed 82 concept notes in response to the APS (an additional 11 were submitted in June and are scheduled for review in July). Of those reviewed, 33 were selected to move onto the next stage, the full application. PSDAG reviewed 19 applications in Q3 and selected 8 to move onto due diligence and negotiation.

Annex I: MINAGRI Flagship Projects' Tracker

Name of the Project	Planned Activities	Implementation Status
Mukamira Dairy Plant	Operationalization of the plant	<ul style="list-style-type: none"> • In Q3, RDB Strategic Investment Department reviewed EOIs submitted by private investors; the department evaluated the proposals and carried out negotiations with the successful bidder. • The department has requested MINECOFIN to approve the agreed bid price of the plant and has prepared a cabinet paper requesting the GoR to approve the privatization of the plant.
Fish Collection Center	The procurement process is ongoing for privatization of the fish collection Center	<ul style="list-style-type: none"> • The Fish Collection center was put on the market for privatization. The RDB Strategic Investment Department received a number of proposals, which it evaluated to determine the successful bidder. • It has now completed the MoU negotiation with the successful bidder; a cabinet paper was drafted and is being reviewed by the cabinet before the facility is given to the investor.
Rubilizi Hatchery	The procurement process is ongoing for privatization of the Rubirizi hatchery	<ul style="list-style-type: none"> • An EOI and selection process is underway for the Rubilizi Hatchery. The MoU negotiation with the successful bidder is still ongoing with RDB.
Gako Integrated Beef Farming Project		<ul style="list-style-type: none"> • MINAGRI has contracted a service provider to complete a quick assessment of availability of water to determine the water supply needed for the whole project. They found that there is a need to do a detailed study to determine the type of irrigation needed for the farms; the ministry has developed ToRs for the consultant to do the irrigation study for the foliage farming and a contractor was selected to construct boreholes for the farms. The survey of 4 farms has already been completed. • The main access road connecting the farm has been completed; the developer is working with the MININFRA team to assess the quality of the road and approve the work done. • Phase II of new internal access roads development is underway and 30% of construction works have been completed. • MININFRA/REG team have started installation of electricity poles across the farm and is connecting the wires from the main electricity grid to the different poles in the farms; • Farms owners have started fencing their plots, bush clearing and some have started foliage production. • MINAGRI is working with RNRA to obtain UPI numbers for each individual plot, which will enable the GoR to sign a lease agreement with the investors.

Name of the Project	Planned Activities	Implementation Status
Howard G. Buffet Foundation Project	Follow up project works: road construction, power line extension, staff recruitment, houses construction	<p>PROGRESS ON COMPENSATION PAYMENTS:</p> <ul style="list-style-type: none"> • 71.9 % of beneficiaries along roads, pipelines, and pivot areas have been paid. <p>PROGRESS OF CONSTRUCTION ACTIVITIES:</p> <ul style="list-style-type: none"> • Farm compound structures (4 residential houses, office building, canteen, warehouse, 3 open storages, tractor shed) were completed; • Construction of Pump Station was completed and pumps installed; • Installation of irrigation water pipelines was completed; installation of 25 center pivots was completed and 27 more pivots are being installed. The total works complete is about 50%. • Installation of 18 clusters is in progress at 65% completion. Laying underground electrical cables from all clusters to all pivots was completed. • Installation of medium voltage (15Kv) poles and stringing of overhead conductors to 18 clusters is in progress at 73%; • Land clearing for installing a solar power plant was completed, and materials the plant were ordered. • Construction of 52 resettlement houses (13 buildings with four in each) to resettle households from pivots was 100% completed and handed over to beneficiaries. • Construction of phase II resettlement houses (23 houses of 4 in 1) started in June 2016 and is on schedule to be completed by mid-August 2016. 5 HGB Foundation personal houses were completed; • 5 tractors and farm implements (plows, ripper, crimper, disc harrow, fertilizer spreader, and planter) were delivered at Nasho site on a temporary basis; all implements were assembled, tested, and calibrated; • Farmers were organized into cooperative and the cooperative's legal registration was completed; • 20 interns were recruited and given practical training in installation of center pivots systems; • 15 students were offered scholarships for undergraduate training at University of Nebraska- Lincoln USA and Earth University in Costa Rica; and, • A pre-feasibility study for establishing a practical institute is being developed by Lake Partners Ltd consultants recruited by HGB Foundation.

ETI Kirehe	Business plan development for ETI infrastructure	<p>1. PROGRESS ON PREPARATION OF DETAILED PROJECT REPORTS (DPR)</p> <p>1.1 IRRIGATION (DPR)</p> <p>1.1.1. MPANGA; The DPR was Approved. Tender document was advertised in November 2015, and bids evaluation and notification were completed in February 2016, and later cancelled in April 2016 and re-advertised in May 2016; The Project name will be Irrigation and Watershed Development in Mpanga Sector and considered as one Lot. The proposed completion date is April,2018</p> <p>1.1.2. MAHAMA LOT MAHAMA LOT-1: Draft DPR was submitted and reviewed. The final version is being finalized and it will be submitted for validation by 29th July 2016. The tender document is similar to that for Mpanga and it is also under preparation concurrently. The proposed completion date is June 2018. MAHAMA LOT-2: Under Preparation and to be submitted by Mid-September, 2016 as the system is similar to that for Lot1. The Proposed completion date is August, 2018.</p> <p>1.2. WATERSHED (DPR) A re-advertisement of the DPR was done after EXIM Bank did not approve the earlier successful bidder.</p> <p>1.2.1. MPANGA The DPR was Approved. Tender document was advertised in November 2015, and bids evaluation and notification were completed in February 2016, and later cancelled in April 2016 and re-advertised in May 2016. The Project name will be Irrigation and Watershed Development in Mpanga Sector and considered as one Lot. The proposed completion date is April, 2018.</p> <p>1.2.2. MAHAMA Final DPR was submitted, validated and approved on 27th June 2016. The tender document was submitted, approved, and is ready to be advertised. Proposed works completion date is June 2018.</p> <p>2. ESTABLISHMENT OF CENTRE OF EXCELLENCE IN FARM MECHANIZATION (CoE): The DPR was approved. Tender document is ready to be re-advertised by July, 2016 after getting go ahead from EXIM Bank. The proposed completion date is April, 2018.</p> <p>3. AGRO PROCESSING PLANTS</p> <ul style="list-style-type: none"> ▪ Tomato Processing Plant. DPR was approved and tender document to be submitted by 31st July, 2016. The proposed completion date is March 2018. ▪ Maize Processing Plant. DPR was submitted and reviewed. Final DPR be submitted by 16th September, 2016. The proposed completion date is May 2018.
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Name of the Project	Planned Activities	Implementation Status
Gishari Flower Park	Develop the joint venture's structure and its approval	<ul style="list-style-type: none"> • A supply chain and management agreement have been negotiated between the GoR and OJIL Breeding Company. Negotiation is still on going as they are new terms/conditions that had to be agreed on. • A project manager was hired and together with Chief Financial Officer of Bella Flowers, they completed due diligence on the proposed flower varieties by OJIL in Kenya. They visited several farms that OJIL supply with flowers seed and talked with the production and marketing managers about the performance of these varieties. Out of 7 proposed varieties by OJIL, 4 of them were selected.
Kigali Wholesale Market for fresh produce	Mobilization of investors	<ul style="list-style-type: none"> • MINAGRI/NAEB marketed the Kigali Wholesale Market investment opportunity during the Grow Africa Investment Forum held in Kigali in May 2016; 3 investors have expressed interest in the project. • ACACIA Ltd have submitted a business proposal to NAEB and NAEB is waiting for two more proposals so that it can evaluate which is one is more viable.
Uniliver Tea Expansion Project	Expropriation of 493 ha and 323 ha for industrial blocs in Kibeho and Munini (816 Ha)	<ul style="list-style-type: none"> • RDB signed MoU with UNILIVER in May 2016. A Technical team composed of MINAGRI/NAEB/RDB/MINIRENA/MINALOC was established to work with the UNILIVER team in speeding up the implementation of project. • An environmental impact assessment study, a baseline study and Resettlement Action Plan (RAP) reports were submitted to UNILIVER for review and approval.
Rugabano Tea	Operationalization of Rugabano Tea	<ul style="list-style-type: none"> • RDB have been facilitating negotiation between the Government of Rwanda (Gore) represented by NAEB and Luxmi Tea Company Limited to take over the Rugabano Tea Project. The investor came in the country in May 2016 to negotiate the contract. RDB is finalizing the MoU between the Gore and Luxmi Tea Company Ltd;
Gatare Tea	Operationalization of the Tea	<ul style="list-style-type: none"> • NAEB is negotiating with LODA to fund the rehabilitation of the road connecting the factory with the main road. • A joint venture between Rwanda Mountain Tea and COTHEGA (a local cooperative growing tea in the area) was formed. RMT have commissioned a business plan for the new factory and the plan is now being reviewed by the technical team of Gore/RMT.
Huye Animal Feed Plant	Operationalization of the plant	<ul style="list-style-type: none"> • Plant construction is at 80% completion; • There is a project management team led by the KRC in place and they have carried out mapping of cooperatives to supply the plant with raw materials.

Annex II: Press Release



CONTACT

Jennifer Mujuni
USAID-PSDAG Project
Communications Specialist
Tel: 0785-327-278
Email: jennifer.mujuni@psdag.org

FOR IMMEDIATE RELEASE

USAID Supports Investment in Commercial Agriculture in Rwanda

Wednesday, May 9, 2016

KIGALI--The United States Agency for International Development (USAID) is supporting the Government of Rwanda (GOR) to improve its ability to attract private sector investment in agriculture. With facilitation and support provided through USAID, the Ministry of Agriculture (MINAGRI) is developing systems to make it easier for the commercial agriculture businesses to invest in Rwanda.

Many private sector investors need quick information on available land that is suitable for commercial agriculture. MINAGRI is the custodian of 50,000 hectares of agricultural land that could be auctioned to and leased by the private sector. But traditionally, the process of identifying and assessing this land has taken up to one year, sometimes more.

In response to this challenge, USAID's Private Sector Driven Agriculture project has partnered with software developer Esri Rwanda to support the creation of an Agricultural Land Information System (ALIS). The ALIS will enable MINAGRI to quickly access detailed and relevant information on public land and, therefore, improve its ability to guide and advise private investment inquiries. Information on land plots will be visually mapped and include data on soil type, current use, access to infrastructure, and agro-climatic conditions, among other things. The ALIS system will also integrate with databases held by other government institutions.

MINAGRI will present the ALIS at the upcoming Grow Africa Investment Forum on Africa, held May 10-11 in Kigali.

In addition, USAID is working with MINAGRI, other GOR institutions, and various stakeholders to draft the National Agribusiness Strategy (NAS), which aims to harmonize GOR and public and private sector investment strategies for agriculture and act as a guide for attracting more private sector investments.

Laurent Demuynck, owner of Kigali Farms, praised the work to ease the process of investing in Rwanda's agricultural sector. "Private investors value time, so keeping processes simple and predictable is key," he said. "Clear rules, designated go-to civil servants with access to the right information and rapid decision-making all go a long way toward easing the investment decision-making process."

Annex III: Q3 Success Stories

USAID PSDAG facilitates \$152k USD in private investment by SARURA Commodities Ltd in aggregation and maize cooperatives

In partnership with USAID PSDAG, SARURA Commodities Ltd is creating opportunities for maize farmers in Kamonyi



Top: SARURA aggregation center; seasonal employees sorting maize for delivery to a premium buyer, in the background IMPABARUTA warehouse and SARURA aggregation center for farmers' staple crops.

Photo: © PSDAG Project Jennifer Mujuni

In Q2 of FY2016, PSDAG partnered with SARURA Commodities Ltd. under its Value Chain Competitiveness Fund and co-invested in an aggregation center in Kamonyi where SARURA collects farmers' produce. Farmers like working with SARURA because it offers a warrantage system where cooperatives are paid immediately for 60% of their production volume and then receive a higher price on the 40% balance once Sarura sells to premium markets. This kind of profit and risk sharing agreement is attractive to cooperatives, who otherwise may not benefit from price increases.

As a result of its investments, SARURA has been able to buy from more cooperatives, now doing business with five cooperatives while previously working with only one. SARURA's expanded operations are benefiting over 2,070 cooperative members, 1,653 of which are women. In the Kamonyi district, one of three districts from which it buys maize and beans, SARURA has invested in increasing its grain handling and commercial trading capacity with support from PSDAG. IMPABARUTA Cooperative is located in Kamonyi and has signed a supply contract with SARURA.

A major challenge for IMPABARUTA cooperative was accessing a market to buy its members' maize. "Previously, our cooperative members used to sell to middle men at 120 RWF per kg. Sometimes we would be forced to transport our produce to SARURA main aggregation center in Kigali and all transport costs would be borne by us," Samuel Ntaribi, cooperative president, said; "however, with our new partnership with SARURA and support from USAID, this is no more." IMPABARUTA reports that its members have benefited from SARURA's investment in the warehouse, which is used as an aggregation center for four other cooperatives, and from the rental income.

Previously, SARURA did not see a business case for setting up an aggregation center in this location, given the risks associated with the low capacity level of the nearby cooperatives in post-harvest handling and their history of side-selling to middle men. Augustin Mutijima, SARURA CEO, said, "I Am happy to say that the support rendered to SARURA has so far had ripple effects in Kamonyi, all 5 cooperatives and their members now trade with us, and are happy with our services." We have been able to leverage farmers' capacities increasing our supply tonnage to 475 tons of maize in 2016 season A up from 87 tons in 2015 Season A, earning farmers increased income of Rwf 90 million."

In 2016, under the supply contract with SARURA, IMPABARUTA cooperative sold 275 tons of maize, earning 784 farmers RWF 63 million (est. \$80k USD). Previously, that volume of maize would have earned farmers RWF 57 million. The partnership between SARURA and PSDAG facilitated an increase in farmers' income of RWF 5.5 million. The cooperative earned RWF 1.4 million in revenue from the sales and additional rental income of RWF 275,000 per month by renting its warehouse.

With its increased sales revenue and rental income, IMPABARUTA purchased a cooperative membership management software, called COOPSYS, that generates member identity cards. This software has enabled the cooperative to improve its management of farmer-level data, such as amount of produce sold through the cooperative, and improved transparency and accountability has significantly increased member loan repayment. "Unlike in the past where all the transactions and farmer records were done manually, the new system has revitalizing our way of doing business and managing revenues for the members has been made easy" says Boniface Niyigenga the Cooperative Accountant. In addition, Niyigenga says that as a result of the 2016 sale to SARURA, they "have been able to pay health insurance cover for 2016 for all members, bought Cana-rumwe (energy-saving bio-gas) for our needy and vulnerable members, and transported 50 model farmers to the Agri-show expo in Kigali."

IMPABARUTA is one of ten cooperatives targeted under the partnership between PSDAG and SARURA, which will reach a total of 8,000 farmers.

USAID PSDAG facilitates private investments that increase farmers' incomes and access to premium markets.

SARURA Commodities Ltd connects farmers to premium markets to improve their standards of living and livelihoods.



Photo: © PSDAG Project Jennifer Mujuni

Top: Seraphine proudly stands with the cow she bought using income from sale of Maize.

"It is not until, season 2016 A when I finally saw a ray of hope and opportunity to sell at a premium price. "When SARURA approached us and other cooperatives operating in Kamonyi district, we invested in increasing productivity"

-Seraphine Mujawumukiza

Twenty-two years ago, Seraphine Mujawumukiza (56) was left a widow with nine young children. A primary school teacher at the time, with little income, she felt hopeless for the future of her young family. Seraphine decided to give up her job and opted to farm a small plot of land in the hope of improving her family's living standards. Since then, however, Seraphine has struggled to find a market for her produce.

Seraphine, like many farmers in Kamonyi district in Rwanda's Southern Province, sold to traders who came to the area, many of whom would disappear without paying her, promising to return with the cash at a later date. *"Because I had no choice coupled with the fact that I had many problems raising a big family alone, I would desperately sell to whoever approached me first to buy causing me to incur high losses,"* says Seraphine.

In 2016, PSDAG co-invested with a maize and bean trader, SARURA Commodities Ltd. in the establishment of aggregation centers in Kamonyi to collect farmers' produce and encourage farmers' adoption of improved post-harvest handling techniques to sell to premium markets. Seraphine's yield increased due to the production and post-harvest handling trainings she received from SARURA Commodities. In Season A, Seraphine produced 1.5MT of maize on 0.2 ha. compared to 1.1MT tons from the previous year.

Seraphine sold her 1.5MT of surplus maize at a premium price through the contract her cooperative negotiated with SARURA at a price of 220 RWF/kg compared to 120 RWF/kg when she sold to traders. Seraphine earned an income of RWF 300,000, RWF, 163,200 RWF above the 2015 income from her maize harvest.

The economic opportunities available to Seraphine have increased considerably as a result of SARURA's work with her cooperative. In addition to maize, she cultivates cassava and onions. With her additional income, Seraphine says, *"I have bought a cow amounting to RWF 250,000, one laptop for my sons at University, and I have connected piped water to my home. I get compost manure from my cow which I use in my onion garden and the projected sales from my onions stand at RWF 1 million upon harvest."*

In one season, PSDAG's partnership has enabled SARURA to benefit over 2,070 coop members 1,653 of which are women. Seraphine's cooperative is one of five cooperatives who have signed supply contracts with SARURA. SARURA operates in four districts where it intends to work with at least 10 cooperatives and reach 8,000 farmers as a result of the investment facilitated by PSDAG.

U.S. Agency for International Development

1300 Pennsylvania Avenue, NW

Washington, DC 20523

Tel: (202) 712-0000

Fax: (202) 216-3524

www.usaid.gov